

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE CITY OF BURKESVILLE)
FOR AN ADJUSTMENT OF RATES) CASE NO. 96-016

O R D E R

IT IS ORDERED that the City of Burkesville ("Burkesville") shall file the original and 12 copies of the following information with the Commission with a copy to all parties of record no later than April 25, 1996. Burkesville shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled.

1. Provide an amortization schedule for the new debt.
2. Provide the annual salary and benefit amounts, duties, and approximate number of hours to be worked on a weekly basis for each of the two additional water utility operators.

3. Provide an explanation for and show the calculation of the following pro forma adjustments:

- a. Repairs, Parts, and Supplies - \$33,215
- b. Travel and Training - 41,727
- c. Utilities - \$5,016
- d. Chemicals and Lab Analysis - \$3,071
- e. Engineering Services - \$5,000
- f. Miscellaneous - \$4,976
- g. Legal and Accounting - \$800

4. Provide either a copy of a quotation from an insurance agent or an explanation for and calculation of the proposed pro forma adjustment of \$4,500 to test-year insurance expense.

5. Provide any narratives, hydraulic computations, or other analyses necessary to show the degree with which Cumberland County Water District will benefit from the construction associated with this rate adjustment.

6. Refer to Exhibit 8. Explain in detail how this exhibit allocates expenses to Cumberland County.

7. Identify what studies of Burkesville's system were performed in preparation of the rate application, and in particular the calculation of the wholesale rate.

8. Provide copies of all cost-of-service studies performed by Bob Smallwood.

9. Provide a detailed cost-of-service study which allocates expenses to Cumberland County. This study should provide a listing of all expenses and the basis for the allocation factor used to allocate costs to Cumberland County.

10. Provide a detailed explanation of the benefits Cumberland County will receive from the new storage tank and the 10 inch main.

11. Provide a breakdown for all expenses during the test year for the following items: 1) source of supply, 2) water treatment, 3) transmission and distribution, 4) meters and services, 5) customer accounts, meter reading, billing and collecting and 6) administrative and general.

12. What is the cost to produce 1,000 gallons of treated water, exclusive of transmission and distribution costs?

13. Provide the number of gallons produced during the test year.

14. Provide the number of gallons sold during the test year for each customer classification.

15. Provide the number of gallons used for plant use.

16. What is Burkesville's line loss for the test year?

17. Provide a depreciation schedule for the test year.

18. Provide the total number of inch-miles in Burkesville's system.

19. Provide the number of inch-miles used by Cumberland County.

20. What is the rated capacity of the treatment plant?

21. How much of the total capacity is reserved for Cumberland County?

22. Who owns and maintains the master meter(s) used to serve Cumberland County?

23. Provide a system map showing the facilities used to serve Cumberland County.

24. Provide a breakdown of debt service by bond issue as it applies to water supply and water treatment facilities.

Done at Frankfort, Kentucky, this 11th day of April, 1996.

PUBLIC SERVICE COMMISSION

Robert M. Davis
For the Commission

ATTEST:

Don Mills
Executive Director